



General Assembly

Substitute Bill No. 313

February Session, 2002

AN ACT CONCERNING FUNDING FOR NITROGEN REMOVAL PROJECTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 22a-478 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2002*):

4 (c) The funding of an eligible water quality project shall be pursuant
5 to a project funding agreement between the state, acting by and
6 through the commissioner, and the municipality undertaking such
7 project and shall be evidenced by a project fund obligation or grant
8 account loan obligation, or both, or an interim funding obligation of
9 such municipality issued in accordance with section 22a-479. A project
10 funding agreement shall be in a form prescribed by the commissioner.
11 A nonpoint source pollution abatement project shall receive a project
12 grant of seventy-five per cent of the cost of the project determined to
13 be eligible by the commissioner. A combined sewer project shall
14 receive (1) a project grant of fifty per cent of the cost of the project,
15 which cost shall be the cost the federal Environmental Protection
16 Agency uses in making grants pursuant to Part 35 of the federal
17 Construction Grant Regulations and Titles II and VI of the federal
18 Water Pollution Control Act, as amended; and (2) a loan for the
19 remainder of the costs of the project, not exceeding one hundred per
20 cent of the eligible water quality project costs. A construction contract

21 eligible for financing awarded by a municipality on or after July 1,
 22 1999, as a project undertaken for nitrogen removal shall receive a
 23 project grant of [thirty] fifty per cent of the cost of the project
 24 associated with nitrogen removal and a loan for the remainder of the
 25 costs of the project, not exceeding one hundred per cent of the eligible
 26 water quality project costs. Nitrogen removal projects under design or
 27 construction on July 1, 1999, and projects that have been constructed
 28 but have not received permanent, clean water fund financing, on July
 29 1, 1999, shall be eligible to receive a [thirty] fifty per cent grant. Any
 30 other eligible water quality project shall receive (A) a project grant of
 31 twenty per cent of the cost, which cost shall be the cost the federal
 32 Environmental Protection Agency uses for grants pursuant to said Part
 33 35 and said Titles II and VI, and (B) a loan for the remainder of the
 34 costs of the project, not exceeding one hundred per cent of the eligible
 35 project cost. On or after fiscal year 2007, all eligible water quality
 36 projects eligible for funding shall receive a loan of one hundred per
 37 cent of the eligible costs and shall not receive a project grant. All loans
 38 made in accordance with the provisions of this section for an eligible
 39 water quality project shall bear an interest rate of two per cent per
 40 annum. The commissioner may allow any project fund obligation,
 41 grant account loan obligation or interim funding obligation for an
 42 eligible water quality project to be repaid by a borrowing municipality
 43 prior to maturity without penalty.

This act shall take effect as follows:	
Section 1	July 1, 2002

PD *Joint Favorable Subst. C/R* ENV

ENV *Joint Favorable C/R* FIN